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Natural Resource Update

Office of Energy and Resource Planning

July 7, 1997

Utah

TRUST LANDS ADMINISTRATION CHALLENGES MONUMENT

The Utah School and Institutional Trust Lands Administration filed an action on June 25 in federal court to prohibit the Department of the Interior from implementing changes in federal land use practices based on President Clinton's September 1996 designation of the Grand Staircase-Escalante National Monument. Because no land exchange has taken place, Trust Lands Administration believes that the Interior Department is ignoring Clinton's promise that the monument "will not come at the expense of Utah's children." Historic income from the 176,000 acres of trust land and an additional 25,000 acres of mineral trust land total more than \$100,000 per year. Trust Lands Administration will argue that the president's unilateral declaration of the monument violates notice and comment requirements of the National Environmental Policy Act and congressional notice requirements of the Federal Lands Policy Management Act.

(Trust Lands News Release, 6/23/97)

TIGER BEETLE MAY GET DAY IN COURT

The Utah Trail Machine Association and Nevada Trails Coalition have indicated their intention to sue over a conservation agreement for the Coral Pink Sand Dunes tiger beetle. The agreement, forged among the Division of Parks and Recreation, Bureau of Land Management, Fish and Wildlife Service and Kane County, is designed to conserve tiger beetle populations and maintain multiple use standards. The two groups threatening to sue want to preserve current off-road vehicle (OHV) access to public lands in and around the Coral Pink Sand Dunes and argue that conservation measures cannot be taken without first placing the beetle on the endangered species list. According to Parks and Recreation Planner Chas VanGenderen, the potential suit could complicate implementation of the agreement and may ultimately result in the tiger beetle's listing as an endangered species. In

contrast the agreement would set aside about 700 acres of the 3,000 acre recreation area for non-OHV use and beetle habitat.

(Interview with Chas VanGenderen, 7/1/97)

CHRIS CANNON'S WILDERNESS BILL

Congressman Chris Cannon introduced a Utah wilderness bill (HR 1952) on June 18. According to Cannon, the bill would not allow final wilderness designation until a school trust land exchange is complete and funds are made available to reimburse Utah schools for the cost of conducting an exchange. Acres recommended for wilderness designation total 1.2 million, 330,000 of which are located in the Grand Staircase-Escalante National Monument. Cannon is the sole sponsor of the bill so far.

(Public Lands News, 6/26/97)

BLM SUMMO MINE APPROVAL APPEALED

On May 2, the National Wildlife Federation and Western Mining Action Project appealed the BLM's issuance of a permit allowing Summo Mining Corporation to mine copper in San Juan County's Lisbon Valley. Opposition to the mine focuses on the fact that a bond for long-term water quality reclamation was not required. In mid-June the Interior Board of Appeals issued an order which, at least temporarily, keeps Summo from mining. With an expected life of 10 years, creating 143 new jobs, the mine is strongly supported by San Juan County Commissioner Ty Lewis who says that, "We'll do anything we can to make this mine happen."

(High County News, 6/23/97)

WILDLIFE RESOURCES RELEASES SENSITIVE SPECIES LIST

On March 20, the Division of Wildlife Resources released a sensitive species list, which contains information about conservation status for animals in Utah that are extremely vulnerable to

population decline or habitat loss. The list is intended to stimulate management action, such as development and implementation of conservation strategies for sensitive species, in an effort to better manage them and preclude their eventual listing under the Endangered Species Act. It also serves as an important information source for land-use planners and others.

(Larry Dalton, 6/26/97)

STATE MANAGEMENT OF MMS AND BLM OIL AND GAS OPERATIONS

Efforts to transfer oil and gas lease regulation authority to states have met with obstacles. "The states still feel we should be doing the regulating," says James Carter director of the Division of Oil, Gas and Mining, "But the states feel we need legislation from Congress. BLM just does not see that it has authority for larger delegations." The BLM has indicated a willingness to allow states to take over inspection and enforcement authority. However, some states are seeking broader management responsibilities such as the authority to approve applications for drilling permits. On the other hand, the Mineral Management Service (MMS) proposed transfer of some responsibilities to states has come under fire from industry representatives. The opposition focuses on the complaint that industry representatives, unlike the states, were not consulted on the issue prior to the proposal.

(Public Lands News, 6/26/97)

PFS FILES FOR NUCLEAR WASTE STORAGE LICENSE

Private Fuel Storage (PFS), a consortium of seven utilities with nuclear power plants, filed an application with the Nuclear Regulatory Commission on June 25 for a license to store high level nuclear waste on the Skull Valley Indian Reservation in Tooele County. The state of Utah officially opposes the storage facility. However, Tooele County officials and tribal leaders are willing to consider the proposal. "Today marks the first time any group has filed a license application for a private, temporary storage facility that will serve customer needs from around the country," said Scott Northard, project manager for PFS.

(Salt Lake Tribune, 6/26/97)

BLM POISED TO OK CONOCO'S GRAND STAIRCASE DRILLING PERMIT

According to a July 2 article in the *Washington Post* officials in the Interior Department

are preparing to give Conoco the go ahead to drill five test wells for oil and gas on BLM lands in the Grand Staircase-Escalante National Monument. The *Post* reports that the Interior Department believes the exploratory wells will come up dry and that Conoco and others holding valid existing rights will allow their 10 year leases to expire.

(Washington Post, 7/2/97)

National

PACIFICORP TAKES OVER PEABODY

During the first week in June, PacifiCorp announced plans to purchase Peabody Holding Company. Peabody is the world's largest private coal company with more than 9 billion tons of reserves in the U.S. and 260 million tons of reserves in Australia. After completion of the transaction, PacifiCorp will have 5 million electric and gas customers, 17,000 megawatts of generation capacity and more than 10 billion tons of coal reserves.

(Coal Week, 6/16/97)

OIL PRICES FALL AS CONCERN FOR GLOBAL WARMING GROWS

Predictions that crude oil prices will drop by \$3 per barrel in 1998 are raising concerns about oil consumption and global warming. According to a British Petroleum report, world demand for energy grew by 3 percent in 1996, which is twice the rate of average growth over the past 10 years. "It's pretty hard to change the system," says Joseph Stanislaw, managing director of Cambridge Energy Research Associates. The International Energy Association agrees and projects increasing world consumption of oil and gas until the year 2010.

(Wall Street Journal, 6/23/97)

RDCC Items

1. UT9706090-080

DOI/BLM: Utah State Office - Proposed Plan Amendment and Associated Environmental Assessment/Finding of No Significant Impact For the Box Elder RMP. Governor's Consistency Review.
Comments due 7/21/97

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